

COASTAL CONSERVANCY

Staff Recommendation

December 4, 2008

YOSEMITE SLOUGH WETLAND RESTORATION NORTH SIDE IMPLEMENTATION – AUGMENTATION

File No. 02-097-03

Project Manager: Moira McEnespy

RECOMMENDED ACTION: Authorization to disburse up to an additional \$1,000,000 of Conservancy funds, which will be reimbursed by the Wildlife Conservation Board, to the California State Parks Foundation to augment the previously authorized grant for Phase I (North Side) of the Yosemite Slough Restoration Project to restore and enhance tidal wetlands and other bay shoreline habitat at Yosemite Slough in Candlestick Point State Recreation Area, San Francisco.

LOCATION: Yosemite Slough, Candlestick Point State Recreation Area, City and County of San Francisco

PROGRAM CATEGORY: San Francisco Bay Area Conservancy

EXHIBITS

Exhibit 1: [Coastal Conservancy Staff Recommendation for the Yosemite Slough Restoration-Northern Area Construction \(File No. 02-097-02, October 5, 2006\)](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160-31165 of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed \$1,000,000 (one million dollars) to the California State Parks Foundation (CSPF) to augment the previously authorized grant for the Yosemite Slough Restoration Project to implement Phase I of the Yosemite Slough Restoration Project, which includes habitat restoration at Yosemite Slough, Candlestick Point State Recreation Area.

This authorization is subject to conditions numbers 1 through 3 and 6 imposed by the Conservancy’s October 6, 2006 authorization, attached as Exhibit 1 to the accompanying staff recommendation, and the additional condition that prior to disbursement of any funds under this authorization, Memorandum of Understanding No. 02-097-02 between the Conservancy and the Wildlife Conservation Board (WCB) authorizing the Yosemite Slough Restoration Project as an

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‘approved project’ under WCB Agreement Number WC-3032BT shall be amended to reflect the addition of \$1,000,000 under this authorization and to extend the project completion date.”

Staff further recommends that the Conservancy adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project authorization remains consistent with the purposes and objectives of Chapter 4.5 (Sections 31160-31165) of Division 21 of the Public Resources Code, with regard to resource and recreation goals in the San Francisco Bay area.
2. The proposed project remains consistent with the Project Selection Criteria and Guidelines, last updated by the Conservancy on September 20, 2007.
3. The CSPF is a statewide nonprofit organization existing under Internal Revenue Service Code Section 501(c)(3) whose purposes are consistent with Division 21 of the California Public Resources Code.”

PROJECT SUMMARY:

On October 5, 2006, the Coastal Conservancy authorized disbursement of up to \$3,316,911 to the California State Parks Foundation (CSPF) to implement Phase 1 of the Yosemite Slough Restoration Project (see Conservancy October 5, 2006 staff recommendation, Exhibit 1) . Phase I consists of a habitat restoration component, which includes the north side of the slough and nesting islands (for which \$3,074,211 was authorized), an environmental education component (for which \$242,700 was authorized), and a San Francisco Bay Trail and access component (for which use of \$172,000 of funds previously authorized for the Bay Trail was approved). The bulk of the restoration component funds (\$3,000,000) came from a Wildlife Conservation Board (WCB) grant to the Conservancy to be used for wetland habitat restoration projects within the nine-county San Francisco Bay Area that implement the restoration goals of the San Francisco Bay Joint Venture’s Strategy, *Restoring the Estuary*, and the *San Francisco Baylands Ecosystem Habitat Goals Report*.

The Conservancy’s October 5, 2006 authorization provided funds toward the approximately \$12 million needed for the total cost of Phase I (Exhibit 1). The CSPF has since conducted site studies and prepared restoration designs, and has continued to raise the remaining needed funds. The results of the studies and design work now show that the cost of Phase I will be closer to \$16 million. This increase is due largely to the costs of handling the soils, some of which are contaminated. WCB has therefore agreed to contribute an additional \$1 million of the funds previously granted to the Conservancy towards the restoration component of Phase I, which is the subject of this authorization.

Site Description and Project History: See Exhibit 1.

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PROJECT FINANCING:

North Side Restoration – Estimated Budget	
Coastal Conservancy (this authorization)	\$1,000,000
Coastal Conservancy (10/05/06 authorization)	3,074,211
-WCB	\$3,000,000
-BCDC permit fees	\$ 74,211
CA Department of Parks and Recreation (FY09/10 - pending)	5,000,000
San Francisco Airport (mitigation funds, anticipated)	2,390,669
Richard and Rhoda Goldman Foundation	1,500,000
BART (mitigation funds)	1,000,000
San Francisco Foundation	40,000
S.D. Bechtel, Jr. Foundation	25,000
Subtotal (secured):	\$14,029,880
To be raised	3,695,120
Total	17,725,000

Site Improvements and Amenities (later phase of project) (interpretive center, Bay Trail, parking, restrooms, entry gates, etc.)	
Coastal Conservancy (10/05/06 authorization)	\$242,700
Association of Bay Area Governments (from Coastal Conservancy Bay Trail Block Grant)	172,000
Secured thus far:	414,700
To be raised (rough estimate only)	2,500,000

The Conservancy's additional contribution of \$1,000,000, plus \$3,000,000 of its original contribution, to the restoration component of the project is expected to come from funding provided to the Conservancy through a grant from WCB. These WCB funds are derived from an appropriation from the Water Security, Clean Drinking Water, Coastal Beach Protection Fund of 2002 (Proposition 50) under a specific authorization found in Section 79572(c) of the Water Code. These funds may be used generally for acquisition, protection and restoration of coastal wetlands and adjacent upland areas, and specifically for projects in the San Francisco Bay Area that accomplish the objectives of the Conservancy as specified in Section 31162 of the Public Resources Code.

In addition, the WCB-Conservancy grant agreement specifies that the Conservancy may use these funds for projects that restore wetland habitat within the nine-county San Francisco Bay Area, implement the restoration goals of the San Francisco Bay Joint Venture (SFB JV) and the *San Francisco Baylands Ecosystem Habitat Goals Report (Baylands Goals Report)*, meet the

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priorities of the Conservancy as described in Section 31162 of the Public Resources Code, and are “high priority” (identified in the grant agreement or designated by WCB as a priority project in the required “Memorandum of Understanding” (MOU) between WCB and the Conservancy).

The proposed project will restore coastal wetland habitat in the City and County of San Francisco, is supported by the SFBJV as a wetland habitat project (Steere, J.T. and N. Schaefer 2001. *Restoring the Estuary: Implementation Strategy of the San Francisco Bay Joint Venture. San Francisco Bay Joint Venture, Oakland, California.* Chapter 6, pp. 63-72), implements the *Baylands Goals Report* (Chapter 5, “Habitat Goals,” Segment J, San Francisco Area,” pp. 118-119), meets the objectives of the Conservancy specified in Section 31162 of the Public Resources Code (see the “Consistency with the Conservancy’s Enabling Legislation” in Exhibit 1), and has been designated by WCB as a high priority (WCB-SCC Grant Agreement No. WC-3032BT, Exhibit A, “Scope of Work”). Therefore, the proposed authorization meets all the requirements and criteria of Proposition 50 and the WCB-Conservancy grant agreement.

**CONSISTENCY WITH CONSERVANCY’S 2007
STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):**

The proposed project was found on October 5, 2006 to be consistent with Goal 10, Objective A of the Conservancy’s 2003 Strategic Plan regarding restoration and enhancement of wetlands. The proposed project remains consistent with **Goal 10, Objective C** of the Conservancy’s 2007 Strategic Plan because it will restore and enhance approximately 12 acres of wetland habitat in a Bay Area county.

**CONSISTENCY WITH CONSERVANCY’S
PROJECT SELECTION CRITERIA & GUIDELINES:**

The proposed project is consistent with the Conservancy’s Project Selection Criteria and Guidelines, last updated on September 20, 2007, in the following respects:

Required Criteria

1. **Promotion of the Conservancy’s statutory programs and purposes:** See the “Consistency with Conservancy’s Enabling Legislation” section in Exhibit 1.
2. **Consistency with purposes of the funding source:** See the “Project Financing” section above.
3. **Support of the public:** See the “Support of the public” section in Exhibit 1.
4. **Location:** See the “Location” section in Exhibit 1.
5. **Need:** The CSPF has raised millions of dollars toward this restoration project, but faces additional costs due to the need to handle contaminated soil. Because several other potential funding sources did not come through, the CSPF will not have enough funds to implement the restoration absent additional Conservancy participation.
6. **Greater-than-local interest:** See the “Greater than local interest” section in Exhibit 1.

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CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION AND SAN FRANCISCO BAY PLAN:

The proposed authorization remains consistent with these sections of the October 5, 2006 Conservancy authorization. (See Exhibit 1).

COMPLIANCE WITH CEQA:

The proposed authorization does not have the potential for a significant environmental effect and therefore is not a "project" under CEQA as defined in 14 Cal. Code of Regs Section 15061(b)(3). The proposed authorization simply increases the amount of funding to be provided by the Conservancy towards Phase I of the Yosemite Slough Restoration Project. It does not alter the nature of the work to be done under this proposed project nor the work to which the Conservancy funds may be applied. The proposed authorization remains consistent with the Conservancy's October 5, 2006 authorization. (See "Compliance with CEQA" section in Exhibit 1).